

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE ADJUSTMENT OF RATES OF)	CASE NO.
AUXIER ROAD GAS COMPANY, INC.)	2002-00188

ORDER

On April 10, 1991, in Case Nos. 10288-D and 10288-E, the Commission approved the Gas Cost Adjustment (GCA) Clause of Auxier Road Gas Company, Inc. (Auxier) allowing for the quarterly adjustment of its rates.

On June 3, 2002, Auxier filed its proposed GCA to be effective July 1, 2002. On June 5, 2002, Auxier revised its filing to reflect an updated gas cost from one of its suppliers. Auxier requests a waiver of the 30-day notice period in order to have rates effective July 1, 2002. Auxier gave 29 days notice to the Commission of its change in rates. As KRS 278.180(2) permits the Commission to shorten the required notice period for good cause, the Commission finds the utility s request should be granted.

After reviewing the record in this case and being otherwise sufficiently advised, the Commission finds that:

1. Auxier s notice includes revised rates designed to pass on to its customers its expected increase in wholesale gas costs. Auxier s Expected Gas Cost (EGC) is \$5.2422 per Mcf, \$2.0566 per Mcf more than the prior EGC of \$3.1856.
2. Auxier s notice sets out no current refund adjustment.

3. Auxier's notice sets out a current quarter actual adjustment (AA) of (17.98) cents per Mcf. Auxier's notice includes a total AA of (66.85) cents per Mcf, which is an increase of \$1.062 per Mcf from the previous total AA.

4. Auxier's notice sets out a current quarter balance adjustment (BA) of (6.7) cents per Mcf. Auxier's notice sets out a total BA of (6.96) cents per Mcf, which is a decrease of 7.08 cents per Mcf from the previous total BA.

5. Auxier's gas cost recovery rate is \$4.5041 per Mcf, which is \$3.0478 more than the previous rate of \$1.4563 per Mcf.

6. The rates in the Appendix to this Order are fair, just and reasonable, in the public interest, and should be approved for service rendered by Auxier on and after July 1, 2002.

IT IS THEREFORE ORDERED that:

1. The rates in the Appendix, attached hereto and incorporated herein, are approved for service rendered on and after July 1, 2002.

2. Within 20 days of the date of this Order, Auxier shall file with this Commission its revised tariffs setting out the rates approved herein.

Done at Frankfort, Kentucky, this 28th day of June, 2002.

By the Commission

ATTEST:


Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2002-00188 DATED JUNE 28, 2002

The following rates and charges are prescribed for the customers served by Auxier Road Gas Company, Inc. All other rates and charges not specifically mentioned herein shall remain in effect under authority of this Commission prior to the effective date of this Order.

RATES:

	<u>Base Rate</u>	Gas Cost Recovery <u>Rate</u>	<u>Total</u>
First Mcf (Minimum Bill)	\$5.11	\$4.5041	\$ 9.6141
All Over 1 Mcf	4.2599	4.5041	\$ 8.7640